NEW YORK HERALD, SATURDAY, AUGUST 2, 1862.

JAMES GORDON BENNETT,

EDITOR AND PROPRIETOR.

OFFICEN. W. CORNER OF FULTON AND NASSAU STS

AMUSEMENTS THIS EVENING.

NIBLO'S GARDEN, Broadway .- Rouv O'Moons. WALLACK'S THEATRE. No. 844 Broadway .- PEA WINTER GARDEN, Broadway. -RIGHTLIEU - ROUG

NEW BOWERY THEATRE, BOWERY -PAUL JONES BORY O'NOR - ROBERT MACADRES SPECIAL BRIDEGROOM. BOWERT THEATRE, Bowery .- LA TOUR DE NESLE

NIXON'S CREMORNE GARDEN. Fourteenth street and sixth avenue. —OPERA, BALLET, PROMERADE CONCERT AND

BARNUM'S AMERICAN MUSEUM, Broadway. Tu LEGRED SEAL HAPPY FAMILY, &c., at all hours. Tw Pickons. Nif and Tuck, after moon and evening.

CHRISTY'S OPERA HOUSE, 585 Broadway. -ETHIOFIA: WOOD'S MINSTREL HALL, 514 Broadway. - ETHIOPI HITCHCOCK'S THEATRE AND MUSIC HALL, Canal

GAIETIES CONCERT HALL, 616 Broadway, -DRAWING PARISIAN CABINET OF WONDERS, 563 Broadway.

New York, Saturday, August 2, 1862. THE SITUATION.

The rebels attempted to capture anothe schooner, lying off Harrison's Landing, on Wednesday night, but were driven back. The "New Merrimac" was constantly looked for coming down the river. Recovered soldiers are continually going up the river to rejoin their regiments.

The rebel batteries on the south side of the James river opened fire at midnight on Thursday upon the mail boat landing at the headquarters of Colonel Ingalls, at Westover, killing four of our men and wounding five. Colonel Ingalls returned the fire with thirty-two-pounders, and soon silence ed the enemy's guns. A few of our vessels were struck by stray shots, but were not injured.

Our correspondence from Harrison's Landing gives some interesting details of the condition o the army and the movements of the ficet.

That portion of Commodore Porter's fleet which has arrived at Hampton Roads is comprised of the Racer, the Matthew Vassar, George Manchan, F. A. Ward, Adolph Huzel, Daniel Smith and Wm. Bacon. The other five are hourly expected to ar-

The army of General Pope had advanced beyon Warrenton at last accounts. General Hatch's cavalry is reported to be actively scouring the whole country from the enemy's lines to Little Washington, but is not meeting with any large forces. He, however, is making it too hot for spies and guerillas, many of whom are frequently captured and consigned to the charge of the Provost

General Pope insists upon carrying out his or der with regard to the oath of allegiance. Every one who does not take it must go outside his lines The rebel citizens are correspondingly perplexed.

A most entertaining account of ten months' resi dence in the South, and the difficulties of escaping therefrom, appears in another column. It is the history of a printer, who was permitted to come North under a passport from the British Consul at Charleston, where he resided. Among other incidents related is the fact which he positively states was asserted in the Richmond Examiner office in his presence, that "General Lee had 220,000 men in the late battles, and 40,000 in Richmond as a reserve. Even the rebels accorded to McClellan the greatest praise for his masterly retreat. On the 2d of July, the Examiner announced that he was surrounded, driven into a swamp, and his stores, ammunition, artillery and wagons captured. Jackson, it was said, was in his rear, Huger on his left, Hill and Longstreet on his front, and Magrader on his right, and the next day it was confidently expected he would be escorted through the streets in a cage. Next day, however, the tune had changed, and the Examiner began its display head to the news with this line..." The bird has flown." The rebels were outgeneralled, and McClellan all right.

This statement tallies very badly with the ir sinuations of our radical journals, that the rebels had but a small force in Richmond when General McCiellan retired across the peninsula.

By the arrival of the transport McClellan from Port Royal at this port yesterday, we are embled to give our readers a goodly amount of news from that place and from Charleston. The garrison at the latter city has been greatly reduced by the removal of troops to Richmond. General G. W. Smith is in command there. Much dissatisfaction was felt because General Lee did not annihilate General McClellan in the late battles, and the intelligence that the rebels had lost forty thousand men in these actions did not lessen the feeling of rloom and disco. ent.

In our correspondence from North Carolina we five an account of some brisk fighting and a decisive victory for our troops on the Trent road, near Newbern, which resulted in the occupation of

Tremon by the Union forces. MISCELLANEOUS NEWS.

The British schooner Mary Harris, from Nassac N. P., entered at this port this week, brings as part cargo 74 bales cotton and 100 barrels spirits turpentine, and the British schooner Blanche, from same port, 209 bales cotton. It would appear, from the peculiar cargoes continually arriving here from that port, that the regular liners between that port and Charleston still continue to make their trips regularly.

The term of Senator Chandler, of Michigan, ex pires with the present Congress, on the 4th of March next. His chances for re-election are said

Four hundred and eighteen rebel church bells. which had been sent to New Orleans in response the call of Gen. Beauregard, and captured in that city, were sold in Boston on the 30th ult. They well bed together upwards of one hundred thouounds, and brought about twenty four thou-

blungo papers are publishing the names o all the appontees of the Illinois regiments.

The Newark (New Jersey) Corporation chie plasters were put in circulation yesterday. The notes are of the denomination of ten, lifteen Swenty-five and fifty cents. Fifty thousand dollars worth are to be issued. There was a great rush

The General Criticales who was captured by

NEW YORK HERALD. the rebels at Murfreesbore was Thomas T. Critof Kentucky, son of Hon, John J. Crittenden.

We have now in the various military prisons and depots, at Camp Douglas, Chicago; Alton, Ill.; Camp Morton, Indiana; Camp Chase, Ohio; Madi son, Wisconsin; St. Louis; Johnson's Island, near Sandusky, Ohio; and on the Atlantic coast, about twenty thousand rebel prisoners of war.

John Van Buren is seriously ill at Lake George, and doubts are entertained of his recovery.

During four days-from the 22st to the 25th ult. there arrived at New Orleans, from the interior of Louisiana, 2,894 hogsheads of sugar and 352 bales of cotton.

The number of vessels entered at this port from foreign ports during the month of July was 539, and the number cleared for foreign ports during the same period 508. The same month last year gave 461 entries and 415 clearances.

The stock market was better yesterday, and price were all higher, with the exception of govern which are still languid. Money was abundant at 4 a 5 per cent. Gold declined to 115, and exchange to 125 a 126%. The import entries of dry goods for the week

The cotton market was firmer and higher yesterday with sales of 2,500 bales, closing stiff on the basis of 49%c. a 50c. for middling uplands. The flour market was less active, and closed with a drooping tendency for most descriptions. The principal demand was from especially for common qualities, while prime to choic lots were scarce and sustained. Corn opened stiff, but losed dull, with a fair amount of sales. Pork opened armer, but closed dull and easier, with sales of mean \$11 25, and which afterwards fell back to \$11; prime was at \$9 25 a \$9 50. Beef was firm. Lard was active and stift. Sugars were steady, with sales of 1,700 hhds. The prices of the Messrs, Stuart for their refined sugars are given in another column. The stock of raw suga amounted to 37.329 hhds., against 66.737 at the san time last year; 6,300 boxes, against 22,812 last year 29 805 bags, against 191,449 last year, and 145 hhds. me lade, against 7,781 last year. Coffee was quiet and steady reights were less buoyant and active; wheat was taken o Liverpool at 13 34d, a 14d, and flour at 3s. 9d. a 4s.

A Vigorous War-The Means, Powers

We congratulate our readers on the assurances which we have received from Washington that "unworted cheerfulness and anima tion" are now visible there; that, "without know ing definitely what is to be done, all the friends of the Union in that quarter "exhibit an un usual confidence that a fresh impetus has been given to our military operations;" that "the arrival of the mortar fleet at Hampton Roads and the sudden clearing out from the capital of most of the officers who recently thronged the otels and places of public resort," have creat ed the impression that important work has been ut out for our two noble armies in Virginia and that its execution will be commenced with

All other accounts from Washington substan late this cheering report. Best of all, every witness-soldier or civilian-who has recently conversed with President Lincoln gives the same good testimony in his behalf. He is thoroughly aroused and inspired with the spirit of our loyal States and people; he fully compre hends their expectations and his responsibili ies, and is resolved benceforward to use the orces and the resources at his command, with out stint and with sleepless vigilance and ener zy, in order to bring this boastful and menacing ebellion to a speedy conclusion. His late stringent order regarding absentees from the army will be equal, it is supposed, to the addition of from forty to fifty thousand men to our troops in the field within the next fifteen days while the recruiting measures which he ha dopted, and others which he is considering, in conjunction with the local authorities of our oyal States, will soon fill up his late call for three hundred thousand men. We are glad to earn that if federal, State, municipal and individual bounties to volunteers fail to meet thi requisition in a very short, period, a draft will be made upon the militia; for our loyal people en masse, instead of fearing this alternative, hope that it will be adopted, considering the

President Lincoln has the confidence of the country. No man doubts his honesty or his patriotism. Down to the recent seven days' bloody battles near Richmond he may, perhaps. have shared with the whole people of the North the belief that this war in a week or two would be substantially ended; but those memorable seven days have convinced him, as they have convinced the North and all our loyal States, that we had vastly underrated the numbers of the rebel army and exaggerated our own. But if, in anticipation of a crowning victory at Richmond, the energies and vigilance of the administration in re gard to our army were slackened, the severe disappointment which followed has brought its compensating reaction. It has taught us government and people-that while our warlike means, resources and facilities are absolutely overwhelming, they go for nothing unless w bring them to bear in superior strength against the active forces of this rebellion.

Here, then-government and people-we take a new departure, and enter upon a new cam paign equal to the full measure of the great work before us. The whole strength of the rebellion is now staked upon its great army in Virginia. We have only to demolish that army in order to end this war. Granted that it is an army of three hundred thousand men; we see no reason why it should be permitted to hold Virginia beyond the 1st of October. President Lincoln has the power and the means to put to flight and disperse this defiant rebel army with in the next sixty days. Congress has invested him with absolute authority over the men, money, means and facilities of the nation of every kind, for a brief and overwhelming cam, paign. At this moment no monarch in Christendom, not even the Emperor of Russia, possesses a more ample range of authority than our modest and unpretending President. This authority has been bestowed upon him to save the life and restore the health and integrity of the nation. With the free and full consent of our twenty-three millions of loyal people, Congress has given to President Lincoln these powers, means and responsibilities of a temporary dictator; and our loyal people look to him with confidence for the most beneficent results to the country and to mankind in the speedy

restoration of the Union. The new campaign opens with every promise of success. The government appears at length to be fully impressed with the pervading spirit of our loyal States, and our worthy President, fully realizing the dangers and demands of the crisis, and the means and great advantages within his grasp, is proceeding to business in the most satisfactory way. The great issue in his hands is the life or death of the nation and its popular institutions; and the reward that inites him on in his path of duty is a place in he affectious of mankind second only to that of

The Figureial System of the Govern-

ment.
The enemies of the government—the money croakers and the opponents of the fauncial system established by the administration to carry the country through the war-are still industriously at work endeavoring to bring discredit upon the issue of legal tender notes, or paper money, and thereby weaken the hands f the government, and thus embarrass its ope rations in this its trying hour. They are constantly assailing the system at every point, and charging upon it all the existing evils. With their eyes upon the Sub-Treasury and bullion they are continually asserting that the paper money of Secretary Chase is ruining the conn try. If our army is defeated Chase's paper money is the cause; if a merchant fails, Chase' legal tender notes rained him: if Wall stree is thrown into excitement, and the bulls and bears are frantically running up the price of gold. Secretary Chase's paper money is responsible; and so on, through a long catalogue of evils imaginary and otherwise. It matters not what may happen, it is all laid at the door of the government currency. But with all their denunciations, long and labored articles, misconstruction of facts and efforts to destroy public confidence in the financial system of the government, the fact still exists that its adoption was a necessity and its continuation indispensable at this time. We still maintain that it is the best system that could have been adopted, and the only one that is adapted to the present crisis. In the labored efforts of the panic makers to prove that the same fate awaits it that followed the issue of the paper money in the American Revolution, of France in the French Revolution, and that there is no resemblance between the present system and that of England under the auspices of William Pitt, they are in every instance lame and wide of the mark, as any person who will take the tron-

ble to inform himself will see. The paper money issued during the Ameri can Revolution had no basis for its support, no provision for redemption. We had at that time o commerce, national tax or revenue. With a sparsely settled country, and about three milions of inhabitants struggling for their independence against almost the entire world, this paper money was put forth, and formed the circulating medium of the nation in its struggle for existence. With its use we were successful in obtaining our independence. But, there being no basis for its issue, nor provisions for its redemption, it was never redeemed, and millions can be to-day found among families who have inherited it from their Revolutionary aucestors. In no particular was this like our present issue, as we shall soon show.

The financial system of England under Wil iam Pitt-which the panic makers and those who are at work trying to break down the credit of the government have been trying to prove does not in the least resemble Mr. Chase's system-grew out of the necessities of the contest of England with the continental Powers and the first Napoleon, during what is termed the French Revolution. The important epoch in the financial operations of Pitt n 1797. In the early part of that year, owing to the events connected with the in which England was engaged. war and to the advances made to the government by the Bank of England, which prevented the lirectors from having full control over the issues of the Bank, the public mind at the time in an excited condition about the war, the provincial bankers failing in every direction, all England was thrown into a panic, and the bullion of the Bank was fast being reduced, with a prospect of a general run upon that institution. In this emergency a council of the government was called on Sunday, February 26, and an order issued prohibiting the directors from paying their notes in cash until the sense of Parliament could be taken upon the subject-Parliament immediately considered the matter. and, after discussing it at much length, approved of the probibitive order of the government council, and ordered that the restriction should continue until six months after a definite treaty of peace had been signed. The Bank was under this prohibition of the government until the passage of Sir Robert Peel's act in 1819, declaring that cash payments should be resumed in 1825. The directors, however, commenced specie payment in 1821. During the period that the government prohibited the Bank from redeeming its bills it ordered that the notes of the Bank should be received at par for all government dues, and also in payment of all taxes. Although not declared to be legal tender in every particular, they were rendered so in fact by being re ceived and paid out as cash in all transaction of the government. The value of these notes. as measured by the price of gold, fluctuated during this government prohibition from par to twenty per cent discount. But these fluctuations were the result of cheering o depressing news in regard to the war and the failure or success of the crops of the country. The greatest discount was when the success of the British arms looked the most doubtful. These facts are conclusive that the government of England is responsible for making paper money the sole currency of the country. By its means they were success ful in their long struggle, and came out of the contest the leading nation of the world,

Our present financial system is unlike that of the American Revolution for the reason that our currency now has a national revenue and provisions for its redemption. It recognizes the same principle as that of England under Pitt. but is better arranged in detail and superior in every particular to even that under which England was so successful. Our government found itself engaged in an extensive rebellion all communication with one section cut off, our foreign commerce entirely changed, and forced by events to rely upon our resources, and compelled to adapt ourselves, as was England. to our internal trade and commerce. The banks suspended specie payments, and gold. instead of being a circulating medium, is an article of commerce; the local banks in the differ ent States failing, and the trade of one section with the other being crippled by the currency of one State being almost valueless in another; the government crippled for the want of means all combined, rendered it imperatively necessary that some financial system should be adopted that would bring relief to the country. adapt itself to our internal trade, and aid the government in the prosecution of the war. to this condition of affairs Secretary Chase matured a plan for the issue of Treasury notes, to be declared a legal tender, these notes to be convertible at par at any time into United States bonds, with Interest payable in specie

revenue and a direct tax-the best possible se curity that could be had. Congress approved of the plan, and the Treasury notes are now the currency of the country, placing it on a far better basis than was the currency of England

during her long war. We contend that the financial system of Mr Chase and that of Mr. Pitt are established on the same principle, recognizing as the first object the necessities of the internal traffic of the country and the wants of the government, as well as in making paper money the circulating medium of the government. Our system differ from that of England in the mode of earrying it into operation, because it is necessary to adapt it to the condition and exigencies of the country. The Bank of England is the financial medium of that government, through which all their finan' cial operations are managed; but we have no national bank or any other possessing the financial strength to become the agent of the govern-ment. The result is, the same principle that was successful in England had to be put in operation in some other form, and that which has been adopted is far superior to that of England; and every person must admit that the cur rency to which is pledged the entire resources of the country is far preferable to the issues of private banking institutions, which suspend specie payments at option. Its effect upon the traffic of the country has been beneficial, and through its agency we shall be enabled to come out of our present trials immensely developed in our internal resources; and as England, over half a century ago, emerged from her trials the leading Power on earth, so will the United States after the suppression of this stupendous rebellion, become the strongest nation of the

Our Disasters in Virginia-Wilson and

The sentiments expressed by Senator Wilso in his speech in the Senate on the 28th of last March, in reference to stopping enlistments and reducing the army, were also the views of Wade Summer and Chandler. It is likewise clearly shown by the speech of Mr. Wilson that all our disasters in Virginia were brought about through the intercession and influence of this band of radicals at the War Department, with Wilson at their head. Says Wilson, "I have over and over again been to the War Office and urged upon the department to stop recruiting in every part of the country." In the same speech he also stated, "I believe that we have to-day one hundred and fifty thousand more men than we need or can well use."- With such representa tions as these at the War Department they succeeded in stopping enlistments; and now, when we want men, it is hard to get them. With this proof of his guilt staring him in the face, he goes before the people of his own State and de nies ever saying any such thing.

The truth of the matter is, this is but a small portion of the crimes that Wilson, Wade, Summer and Company committed against their country during the last session. There is a long black list standing against them, which even Wilson, with all his impudence and lies, cannot remove. They acted as a secret committee, and, like the Jacobins in the French Revolution, undertook to control the entire action of the War Department and the administration. It was through their importuning that Fremont was appointed to a department in Virginia; and then, in order to give him a chance to do something, they secured the transfer of the main body of General Banks' division over to McDowell, just as Banks was about to give to Stonewall Jackson the finishing blow, resulting in a raid of Jackson down the valley. driving the reduced forces of General Banks before him. Fremont was ordered to cross the mountains and intercent Jackson in his retreat: but he disobeyed orders and took the wrong road, thus giving Jackson an opportunity to escape. Not satisfied with the disasters that they had caused in the valley, they commenced their attacks on the army on the peninsula, and did all within their power to harass the commanding general and divert him from the real work that he was there to accomplish.

The work of this cabal was the more danger ous because it was secret and under the pretence of friendship. At every point their hate of General McClellan was made manifest, and every representation made and every scheme devised that could be to destroy him and build up some officer who would become their tool and be controlled by them. Like the Jacobins, with Robespierre at their head, they endeavored to build up their own faction at the peril of the Union cause; and we all now see the result From the brilliant victories in the early part of the season we have now to turn and witness the darkest hour of the Union cause since the rebellion commenced. Our forces reduced by disease and battle, and no men ready to fill up the ranks, because, for sooth, Wilson and his associates stopped enlistments. The rebels, on the other hand, have been all the time swelling their ranks and increasing their army, and are leaving no stone unturned to improve the opportunity now offered. Unless reinforcements are immediately forwarded, and the thinned ranks of our army filled up, events will show that we have seen but the beginning of the disasters that will result from this interference and importuning at the War Department by Senator Wilson and his radical associates. They have, through their pernicious influence, done serious injury to the Union cause, and it now depends upon the gnergy of the administration and the response of the people whether this injury will be fatal or temporary. Everything now depends upon the reinforcements to our armies, and that, too, at once. There is not a day or an hour to be lost. The President is determined not to be deceived any more. Our army is to be swelled to its proper size. Men are to be thrown forward with vigor. The rebellion is to be crushed. The country expects every Union man to do his duty. Shall we be the greatest power of the world, or shall we cease to exist as a nation? Men of the North! now is the hour to decide that ques-

WEST POINT STUDENTS AND THE ARMY .- The highest class of West Point students are now three years in the academy, and it would be a very judicious step to give them commissions in the army where there are now vacancies, or to give them appointments in the new regiments which are being raised under the President's call. They would be infinitely better than any political generals or captains who are likely to be appointed, and they would perfect their education more by practical operations is the field than by theory at West Point. Their places in the academy could be supplied by ambitions youths who, in two or three years more would be their successors in filling up the bonds secured by the pledge of the public the vacancies in the army.

THE THERENE'S ESTIMATE OF THE REBEL ARMY IN VIRGINIA .- The Tribune of yesterday sets down the entire rebel army in Virginia at the highest estimate as only one hundred and fifty thousand, and thinks that one hundred and twenty thousand is nearer the truth. This was the sort of stuff that was uttered by the Tribune about the strength of the rebel army at Centre' ville, and which has since led to so many dis asters. If this statement of the Tribune be true, then the insurgent force must have been greatly smaller when Fremont was is the valley of the Shenandoah; for the rebels have been since largely reinforced. Why, then with such paneity of numbers as they then had, did not Fremont cut up the little handful that came to his share, instead of permitting them to defeat him and go and swell the army that assailed General McClellan. Had the Pathfinder disposed of Jackson's little band, or had McDowell kept him at bay, McCleflan would have taken good care of the rest, and a very different result would have been the conse quence. If the statement of the Tribune be true, what is the necessity for any more enlistments, unless we are to confess that one Southern man is equal to two Northern mes, and that with more than twice the population of white men we need also the niggers to whip the

The Chicago papers are competing with the London Times as to which shall tell the greatest lies. The distance of London from the seat of war gives the Chicago papers rather the advantage. To say nothing of the stories about Halleck's army-which would have killed Hal leck if he had been a nervous man-the Chicago papers have abounded in tremendous miscellaneous Roorbacks. To outrival the London Times' capture of McClellan's army, these enterprising journals frightened Wall street, State street and the Philadelphia Exchange out of their propriety on Thursday by presenting the rebels at Mobile with ten gunboats, covered with six-inch iron. Only the other day, also in defiance of the census returns, which give the rebels only 700,000 fighting men, the Chi cago papers declared that the rebel conscription had already put 1,409,000 soldiers in the field against us. If this raising Immense armies and building fron-clad navies for the rebels is not giving aid and comfort to Jeff. Davis, it is hard to tell what is.

THE CHICAGO PAPERS AND THE MOBILE NEWS .-

POSTAGE STAMPS FOR CHECULATION.—Some foolish rumors have been going around tha postage stamps, in consequence of the expect ed issue of the new kind from the Treasury Department, are not as good as they were. That is a mistake. The stamps, if not injured or de faced, if not pasted upon any other substance. and if in a condition to be affixed to letters are worth what their face declares; for they will be redeemed and exchanged for the new postage stamps to be issued by the Treasury as the circulating medium for change, in denominations of five cents, ten cents, twenty five cents and fifty cents. The object in limiting the issue to these denominations is to preserve the character of our decimal system. The pre sent postage stamps are just as good for all ordinary purposes as silver or cent coinage There will be no three or one cent stamps, for their place will be supplied by the nickel cent which is in great abundance.

HURRY OFF THE RECRUITS .- Gen. Fitz John Porter, in a letter to Gov. Andrew, of Massa chusetts, urges that recruits for the old regiments be sent on in squads of ten at a time, i no more can be procured; and the recruiting officers of the Harris Light Cavalry in this city send on every recruit just as soon as he enlists, without waiting for any more to join him This is the way to fill up our army, and it ought to be generally adopted. In the army a recruit is learning his business, and adds one to our available forces. Here he does nothing but idle about the streets and spend his bounty money. Do not wait until regiments or compa nies are raised, therefore, but hurry off the re cruits. One vote has elected a Governor of a State. One soldler may save a battle and give us a brilliant victory. Onward!

PROMOTING FROM THE RANKS .- Half of Na po leon's wonderful success was due to his sys tem of promoting from the ranks to fill up the places of commissioned officers who had fallen in battle. Skill and bravery were thus rewarded, and a powerful incentive was given to the best qualities of the soldier. Instead of appointing mere politicians over troops to lead them to destruction, let intelligent sergeants or corporals, or privates who have seen ser. vice and stood fire, and know by experience something of actual war, be placed in command and soon we shall see a veteran army that will whip everything that comes in its path.

THE OPDER OF THE PARSIDEST TOTOTTED FOR LOUGHS.—The order of the President compel ling soldiers absent from the army by furlough or those who had been sick and are now con valescent, to return to their regiments, will have the most extraordinary effect in swelling the ranks of the army. It will beat the re-cruiting sergeants completely. It will add, in a few days, fifty thousand men to the several corps of the army of the Union. This vigorous administration of the officers of the War De partment will inspire new confidence in the success of the struggle to restore the Union and put down faction North and South.

COTTON AND GOLD. - An order has been issued by some of our generals in the South against paying gold for cotton. This is right, unless the premium will be allowed on the price of gold. The bills of the United States are good enough currency, and we have no doubt they will bring forth very soon an abundance of the precious fibre. The high prices paid will fetch the cotton from its hiding places where the planters have stowed it away. The planters see the humbug of this cotton burning as well as anybody else, and will act accordingly whenever they have an opportunity.

DRAFTING .- It is said that if our State quota s not filled up by the 18th August drafting will be resorted to by Gov. Morgan. If this be true we shall certainly fill up our quota before that time; for when drafting begins the bounty ceases. Drafts for the bounty money. therefore, will preclude all necessity of drafting for the army.

Approx THE NECROPS .- The abolitionists are making a great fuss about arming the negroes. We shall have to arm the negroes fast enough, by and by, if they continue to come North as they do. They need no proclamations from the President to incite them to come. Fifty proclamations couldn't stop them,

REBEL PRISONERS BECOMING LOYAL. We published yesterday by telegraph the most gratifying intelligence from Philadelphia that four hundred of the Southern prisoners confined in Fort Delaware voluntarily took the oath of allegiance. This is a most remarkable fact, considering that the news from all other quarters about the unrelenting birterness of the rebels is very decided. It shows these men must have been pressed into a service that was distasteful to them, and that they are heartily sick of so bad a cause. There are thousands in the rebes army of the same mind, who are longing for . similiar opportunity of being delivered from the thraldom in which they are held; and let us roll up our sleeves and go to work to de-

WHY NOT BLOCK UP THE YAZOO RIVER!-ACording to the truthful accounts of the exceedingly reliable Western papers, the rebels have gunboats and rams enough in the Yazoo river to destroy all our fleets. Why, then, do not our naval authorities put their heads together and hive these vessels in by blocking up the mouth of the river?

NEWS FROM WASHINGTON.

WASRINGTON, August 1, 1862.

The Secretary of the Treasury has decided that his order in regard to excises, intended by the bill to take effect on August 1, does not take effect until September 1 Wherever August 1 is read in the bill, September 1

THE APPROPRIATIONS MADE BY CONGRESS.

The official list of appropriations made by the recent Congress is not yet completed. Enough, however, te coown to verify the assertion made in this correspon dence last summer, that the appropriations required would touch very nearly one thousan ! millions. Then the announcement was starting; now the pupile are prepared to hear and bear it.

THE ISSUE OF SMALL TREASURY NOTES. The Treasury Department will issue [the ones and two the small notes as soon as they can be prepared, which will probably be two weeks from date. The issue of threes is under consideration, but will not be immediately needed.

APPOINTMENTS UNDER THE TAX BILL David Whitter has been appointed Assessor, and George W. Brown Collector for Colorado, and Jesse C. Little Assessor, and Robert T. Barton Collector for Utah Territory, inder the Internal Tax bill.

DRIVING THE SUCCESSIONISTS PARTHER SOUTH General Pope's Order No. 5 is being slowly enforced. It will entitle the distinion men of that section to take their arms and ammunition and go over to the enemy. The Orange and Alexandria Ratirond is in running order to Warrenton; but it is alleged that beyond there the road is infested with guerillas, who must be reduced to sub-

SUPPLIES NEEDED BY GENERAL POPE'S ARMY. Shoes and clothing are much needed in the Army o Virginia, but the recent orders of General Pope forbid anything being carried thither except as commissary or quartermaster's stores. The order for foraging on the enemy includes only forage and sub-istence, of which the troops can find abundance without the aid of a commissary; but already there are complaints that guards have been set around the property of prominent rebels, and that it has been by special order excepted from the operation of General Order No. 5.

THE BRIEASE OF GENERAL BOWIE, OF MARYLAND. lays ago as a State prisoner, has been released. It appears that no order for his arrest has yet been issued General Bowie holds that while Maryland remains in the Union he owes allegiance to both the State and federal governments, and claims that as yet he has done nothing to contravene either; but holds himself amenable to both. decide whether he will follow a State or federal alle-giance, and ciaims that the federal authorities have made mistake in arresting him prematurely.

THE EXTRA SESSION OF THE KENTUCKY LEGISLA-TURE—ARMING THE MILITIA OF THE STATE. The call of Governor Magodin, of Kentucky, for an extra result of the pressure of the Union men. Fears are in ome quarters entertained that he will endeavor to obtain ermission to organize the State militia; but, as he is inderatoed to be at heart a rebel, the authority will not

A deputation of border State men are here, who install that the loyal citizens of Kentucky, Ohlo and Indiana shall be thoroughly armed for the protection of Kentucky from the raids of robel guerilla par-ties. The Military Board of Kentucky, towards which calousy, is empowered to control the militin of the State. It is not likely that the Legislature will disturb their au thority; but it is anticipated that Governor Magoffin will be deposed and the Secretary of the State Senate be made orting Governor to carry out the wishes and objects of toyal Kentuckians.

MOVEMENTS OF CAPTAIN PORTER , OF THE MORTAL

PLEET.

Captain Porter, of the mortar flotilla, has left Washington for a brief visit North to recruit his health, previous to resiming his command. APPOINTMENT OF A COMMISSIONER OF PURLOUGHES

Simeon Draper, Esq., of New York, has been appointed a special commissioner by the War Department to super-intend the execution of the order of the 31st of July respecting absent officers and privates. Communications in the subject of said order may be addressed to him, a the War Department, Washington

APPOINTMENT OF ASSOCIATE JUDGE ADVOCATE. The Hon. L. C. Turner, of New York, has been appointed an Aspeciate Judge Advocate for the army arou Washington. He is charged with the investigation and determination of all cases of State prisoners and of milltary arrests to the District of Columbia and the adjacent countles of Virginia, and of all other cases where,n the ction of a judge a twocate may be required.

CONSULAR RECOGNITIONS. Theodore Schwartz has been recognized by the Presient as Consul of Saxony, for Kentucky, at Louisville. THE ACTIVE LIST OF REAR ADMIRALS.

The name of Goldsborough was erroneously printed in ome of the newspapers as the head of the active list o Rear Admirals. They rank as follows .- Farragut, Golds porough, Dupont and Foote.

INDIAN TREATIRS. Commissioner of Indian Adairs Dole is absent from Washington, instituting a treaty with the Indians of Northern Minnesota, located on the Red river of the Nerthand up to the British provinces.

Auction Sale of New Orleans Sugar, and Molasses at Philadelphia. PHILADELPHIA, August 1, 1862.

There were sold by auction this forenoon 500 hogsheads New Orleans sugar, the cargo of the schooner E. P. Stewart, at 91c. a 103c., cash. There was a large

attendance, and the bidding was spirited. A lot of molasses sold at 37c. a 42c.

Wreck of the Steamer M. Sanford. Boston, August 1, 1862.
The steamer M. Sanford, from Bangor for Boston, struck a the Salvages, off Cape Ann, at three o'clock this morn ing. The passengers were landed at Rockport. Assist-

The M. Sanford has bilged, and is full of water she will probably be a total loss.

WINTER GARDEN -- Mrs. Sedley Brown (a daughter of be well known comedian W. H. Smith, of the Boston theatres,) made her debut in this house last night as Margery in the comedy of "The Rough Diamond," supported by Mr. Fiske as cousin Joe. Mrs. Brown possesses many qualities which pertain to a good comedienne-among the rest an excellent voice for light ballads, a liveliness of action and a graceful person. A little more acquaintance with the stage will, of course, correct the and prominent last nigh t-that of a little too much action, an exaggeration quite natural to an artist not en-tirely "up" in stage effect. She was very warmly received, the audience being most generous in places, and liberal with their bouquets. It would be unplace, and Hoeral with their bouquets. It would be un-just to Mr. Fiske not to say that he rendered his part ad-mirably in his representation of the English country bumplein. The performances included Colman's drama of "The Iron Cleest," in which Mr. Fleming played Str Edward Mortimer with great effect, and concluded with the new farce of "Colleen Bawn Sattled as Last," recent-by produced in London, but presented last night for the first time here.